

(28,631)

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1921.

No. 676.

CROWN DIE AND TOOL COMPANY, PETITIONER,

vs.

NYE TOOL AND MACHINE WORKS.

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT
OF APPEALS FOR THE SEVENTH CIRCUIT.

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1 Pleas in the District Court of the United States for the Northern District of Illinois, Eastern Division, begun and held at the United States Court Room, in the City of Chicago, in said District and Division, before the Honorable George A. Carpenter, District Judge of the United States for the Northern District of Illinois, on third day of February, in the year of our Lord one thousand nine hundred and twenty-one, being one of the days of the regular December Term of said Court, begun Monday, the twentieth day of December, and of our Independence the 145th year.

Present:

Honorable George A. Carpenter, District Judge.

John J. Bradley, U. S. Marshal.

John H. R. Jamar, Clerk.

10. 2

IN THE DISTRICT COURT OF THE UNITED STATES

For the Northern District of Illinois,

Eastern Division.

Nye Tool and Machine Works }
 vs. } In Equity No. 1514
Crown Die and Tool Company }

Be It Remembered, That heretofore to-wit: on the 10th day of August, 1920, there was filed in the office of the Clerk of said Court a certain Bill of Complaint, together with Exhibit "A" and Acknowledgment, in words and figures following to-wit:

3

IN THE DISTRICT COURT OF THE UNITED STATES

For the Northern District of Illinois,

Eastern Division.

Nye Tool and Machine Works }
 vs. } In Equity No. 1514
Crown Die and Tool Company }

To the Judges of the United States District Court Northern District of Illinois, Eastern Division, in Chancery Sitting:

Nye Tool and Machine Works, a corporation duly organized under the laws of the State of Illinois, and having its principal office and place of business at Chicago, Illinois, a citizen of the Northern District of Illinois, brings its Bill of Complaint against the Crown Die and Tool Company, a corporation duly organized under the laws of the State of Illinois, having its principal office and place of business in the City of Chicago, in said District, a citizen of the Northern District of Illinois, and shows:

1. That Koss Pier Wright and Frank W. Howard, before December 29, 1905, were the first, joint and original inventors of a machine for Forming Screw Thread-Cutting devices, and on December 29, 1905, they applied to the Commissioner of Patents, in due form of law, for a United States patent thereon, whereupon such proceedings were had, that on or about July 23, 1912, Letters Patent No. 1,033,142 issued to the

Reed Manufacturing Company, a corporation of the State of Pennsylvania, by virtue of an assignment duly executed and filed prior to the issue of said Letters Patent, in the name of the United States of America, signed by the Commissioner of Patents, under the seal of the Patent Office, and were recorded, together with their specification, in books kept for the purpose in the Patent Office, whereby the said Reed Manufacturing Company, its successors and assigns, was granted the exclusive right to make, use and vend said invention for seventeen years from June 23, 1912, in the United States and the territories thereof, provert of which Letters Patent is hereby made. The invention of Rose Pier Wright and Frank W. Howard aforesaid was new, useful, not known or used by others in this country before their invention thereof, not patented or described in any printed publication anywhere before their invention thereof, or more than two years before their application, not in public use or on sale in this country for more than two years before their application, not patented in any foreign country by them or their legal representatives on an application filed more than one year before their application in this country, and not abandoned.

2. That your orator became the owner of all claims recoverable in law or in equity, arising out of the infringement by the Crown Die and Tool Company of said Letters Patent No. 1,033,142, and of the right to exclude said Crown Die and Tool Company from practicing the invention of said Letters Patent, by virtue of an assignment in writing duly executed by the Reed Manufacturing Company, prior to the beginning of this suit, a true copy of which said assignment is hereto attached and made a part hereof, marked "Exhibit A," and your orator is now the owner of all of such rights of action and exclusion against the said Crown Die and Tool Company.

3. That the devices of said patent made, used and sold by the Reed Manufacturing Company and your orator have been marked "Patented June 23, 1912," or the packages and containers in which said devices were sold have been marked in the same manner, and specific notice of said patent has been given to said defendant.

4. That the defendant has infringed said patent within six years last past by making, using and selling devices containing the invention of said patent and the claims thereof, since its grant, in the United States; that defendant has been notified of said infringement, and that defendant's said in-

Bill of Complaint.

fringement has damaged your orator and resulted in profit to the defendant.

Your orator prays that—

(1) Defendant and defendant's agents and employes be enjoined from further infringement, both permanently and pendente lite;

(2) Defendant account and pay to your orator defendant's profits and your orator's damages and a sum in excess thereof not exceeding three times the actual profits and damages;

(3) Defendant answer this bill (but not under oath, such answer being waived);

(4) Your orator have such further relief as is proper; and

(5) That a subpoena ad respondendum and a writ of injunction (both pendente lite and permanent) issue, directed to the Crown Die and Tool Company.

NYE TOOL AND MACHINE WORKS
By DYRENFORTH, LEE, CHRITTON & WILES,
Its Solicitors

GEORGE A. CHRITTON
RUSSELL WILES
Of Counsel.

EXHIBIT A

Whereas, Reed Manufacturing Company, a corporation of Pennsylvania, is the owner of Letters Patent of the United States, No. 1,033,142, for a Machine for Forming Screw-Thread Cutting Devices, granted July 23, 1912, on an application of Wright and Hubbard; and

Whereas, under said patent said Reed Manufacturing Company has the right to exclude others from manufacturing, using and selling the devices of said patent; and

Whereas, it is believed by the parties that Crown Die & Tool Company, a corporation of Illinois, has been manufacturing and using devices in infringement of said patent; and

Whereas, Nye Tool & Machine Works is engaged in the manufacture of dies with which the dies made by said Crown Die & Tool Company, by the use of said infringing machine, are in competition; and

Whereas, Nye Tool & Machine Works is desirous of acquiring from Reed Manufacturing Company all of its rights

of exclusion under said patent, so far as the same may be exercised against the Crown Die & Tool Company, together with all rights of the Reed Manufacturing Company against the Crown Die & Tool Company arising out of the infringement aforesaid;

Now, Therefore, in consideration of one thousand dollars (\$1,000.00), and other good and valuable considerations, the receipt of which is hereby acknowledged, the Reed Manufacturing Company hereby assigns and sets over to the Nye Tool & Machine Works all claims recoverable in law or in equity, whether for damages, profits, savings, or any other kind
7 or description, which the Reed Manufacturing Company has against the Crown Die & Tool Company arising out of the infringement by the Crown Die & Tool Company of the Wright & Hubbard patent No. 1,033,142; and, for the same consideration, assigns and sets over all the rights which it now has arising from said patent of excluding the Crown Die & Tool Company from the practice of the invention of said patent, the intention being that, in so far as concerns the exclusion of the Crown Die & Tool Company under said patent, the Nye Tool & Machine Works shall be vested with as full rights in the premises as the Reed Manufacturing Company would have had had this assignment not been made; and that the Nye Tool & Machine Works shall have the full right to bring suit on said patent, either at law or in equity against said Crown Die & Tool Company, and for its own benefit, to exclude the Crown Die & Tool Company from practicing the invention of said patent, and for its own use and benefit to collect damages which may arise by reason of the future infringement of said patent by the Crown Die & Tool Company, but nothing herein contained shall in any way affect or alter the rights of the Reed Manufacturing Company against other than the Crown Die & Tool Company; and, for the same consideration, all rights as are herein given against the Crown Tool & Die Company are given as against any successor or assignee of the business thereof.

REED MANUFACTURING COMPANY

By P. D. WRIGHT

Its President

8 State of Pennsylvania } ss.
County of Erie }

Before me this 29th day of July, 1920, appeared P. D. Wright, personally known to me, who on oath stated that he is the President of Reed Manufacturing Company, and that he was authorized by the the Board of Directors of Reed Manufacturing Company to execute the foregoing assignment; that the seal affixed to the assignment is the seal of the corporation, and that he thereupon acknowledged said assignment to be the free act and deed of said Reed Manufacturing Company.

B. M. HARTMAN
Notary Public

(Seal)

(Endorsed) Filed Aug. 10, 1920 John H. R. Jamar, Clerk.

9 And on to-wit: the 28th day of August, 1920, there was filed in the office of the clerk of said court a certain motion in words and figures following to-wit:

10 IN THE UNITED STATES DISTRICT COURT

Northern District of Illinois,

Eastern Division.

Nye Tool and Machine Works }
vs. } In Equity No. 1514
Crown Die and Tool Company }

MOTION TO DISMISS.

Now comes the defendant, Crown Die and Tool Company, by its solicitor and moves the Court to dismiss the Bill of Complaint instituted in the above entitled cause upon grounds and reasons therefor as follows—

1. That the Bill of Complaint states an alleged cause of action arising out of the assumed infringement of a patent in which plaintiff has no title, and prays an injunction, and accounting and damages.

2. That the owner of the entire or any part of the legal title to the patent sued on is not made a party to the suit.

3. That the legal effect of the alleged assignment set up as the basis of this cause of action and forming part of the Bill of Complaint herein is contrary to the statutes covering suits for infringement of patents, and shows on its face that the plaintiff has no interest in the patent sued on.

4. That the Bill of Complaint herein, including the alleged assignment, evidences a conspiracy against this defendant by the parties to the document identified as "Exhibit A," in which the plaintiff and the Reed Mfg. Company assumed the function of the Court in having already decreed that this defendant infringes Patent No. 1,033,142, and now seeks to utilize this Court to annoy and harass the Crown Die and Tool Company by instituting legal proceedings when no right of action exists.

5. That "Exhibit A" attached to the Bill of Complaint in this case purports only to convey to plaintiff all claims recoverable in law or in equity which the Reed Mfg. Co., may have against the Crown Die and Tool Co., over which subject matter this Court has no jurisdiction.

6. Prior suit pending, between the same parties in this Court, decision of which will determine any questions involved in this case.

Therefore this defendant respectfully moves the Court to dismiss said Bill of Complaint with its reasonable costs and charges in its behalf most wrongfully sustained.

CROWN DIE & TOOL Co.,
By FLORENCE KING
Solicitor for Defendant

11 State of Illinois }
County of Cook } ss.

FLORENCE KING, being first duly sworn, deposes and says that she is the Solicitor for Defendant in the above entitled cause, and that she has read the attached motion to dismiss and knows the contents thereof, and that in her judgment the same is meritorious and that it is not brought for purpose of delay.

FLORENCE KING

Subscribed and sworn to before me this 27th day of August 1920.

(Seal)

ARTHUR B. RUSSELL
Notary Public

(Endorsed) Filed Aug. 28, 1920 John H. R. Jamar, Clerk.

12 And on to-wit: the 3d day of February, 1921, in the record of proceedings thereof in said entitled cause, appears before the Hon. George A. Carpenter, District Judge, the following entry to-wit:

13 IN THE DISTRICT COURT OF THE UNITED STATES

For the Northern District of Illinois,

Eastern Division.

Nye Tool and Machine Works	} In Equity No. 1514
<i>vs.</i>	
Crown Die and Tool Company	

Thursday, February 3, A. D. 1921.

Present: Hon. George A. Carpenter, District Judge.

This cause having heretofore come on to be heard upon the motion of the defendant to dismiss the bill of complaint and the Court having considered the matter and being now fully advised in the premises, It is ordered, adjudged and decreed by the Court that said motion to dismiss be and the same is hereby sustained, and the bill of complaint be and the same is hereby dismissed for want of equity at complainant's cost and that the defendant have execution therefor.

14 And on to-wit: the 11th day of Feb. 1921, there was filed in the office of the Clerk of said court a certain Petition for Appeal in words and figures following to-wit:

15

UNITED STATES DISTRICT COURT
Northern District of Illinois
Eastern Division.

Nye Tool and Machine Works }
vs. } In Equity No. 1514.
Crown Die and Tool Company }

PETITION FOR APPEAL

Nye Tool and Machine Works, plaintiff in the above entitled cause, conceiving itself aggrieved by the final decree entered on the 3d day of February A. D. 1921, by this Honorable Court, appeals from said decree to the United States Circuit Court of Appeals for the Seventh Circuit, for the reasons specified in the Assignment of Errors filed herewith, and plaintiff prays that this appeal may be allowed, and that a citation may be granted, commanding the above named defendant to appear before the United States Circuit Court of Appeals for the Seventh Circuit to do and to receive what may appertain to justice in the premises, and that a transcript of the record, proceedings and papers upon which said decree was made, may be transmitted to said United States Circuit Court of Appeals for the Seventh Circuit.

NYE TOOL AND MACHINE WORKS
By DYRENFORTH, LEE, CHRITTON & WILES
Its Solicitors.

ORDER

The foregoing petition for appeal is allowed this 11th day of February A. D. 1921, and the appeal bond to be given by the Appellant is fixed at the sum of Two hundred fifty (\$250.00) Dollars to be approved by the Clerk of this Court

CARPENTER
*Judge of the U. S. District Court Northern
District of Illinois, Eastern Division.*

11th Feb. 1921.

16 And on to-wit: the 11th day of Feb. 1921, came the attorneys and filed in the clerk's office of said court their certain Assignment of Errors in words and figures following to-wit:

17
1.

UNITED STATES DISTRICT COURT
Northern District of Illinois
Eastern Division.

Nye Tool and Machine Works }
vs. } In Equity No. 1514.
Crown Die and Tool Company }

ASSIGNMENT OF ERRORS

Now come the Nye Tool and Machine Works, plaintiff, by its solicitors and having prayed an appeal from the decree entered in this cause on the 3d day of February A. D., 1921, respectfully shows that said decree is erroneous and should be reversed and set aside for the following reasons:

1. That the Court erred in dismissing the Bill for want of equity.

2. That the Court erred in not overruling the motion of the defendant to dismiss and in not ordering the case to stand for trial.

Wherefore, Nye Tool and Machine Works, Plaintiff, prays that said decree may be reversed.

Dated February 3, 1921.

DYRENFORTH, LEE, CRITTON & WILES
Solicitors for Plaintiff

(Endorsed) Filed Feb 11, 1921 John H. R. Jamar, Clerk.

18 And on to-wit: the 16th day of Feb. 1921, there was
11. filed in the office of the Clerk of said Court a certain Bond on Appeal in words and figures following to-wit:

19 Know All Men By These Presents, That we, Nye Tool and Machine Works, as principal, and Fidelity and Deposit Company of Maryland, as sureties, are held and firmly bound unto Crown Tie and Tool Company in the full and just sum of Two hundred fifty (\$250.00) Dollars to be paid to the said Crown Die and Tool Company attorneys, executors, administrators, or assigns; to which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, jointly and severally, firmly by these presents. Sealed with our seals and dated this 12th day of February

in the year of our Lord one thousand nine hundred and twenty one.

Whereas, lately at a session of the District Court of the United States for the Northern District of Illinois, Eastern Division, held at Chicago, Illinois, in a suit pending in said Court, between Nye Tool and Machine Works is plaintiff, Crown Die and Tool Company is defendant a decree was rendered against the said Nye Tool and Machine Works and the said Nye Tool and Machine Works having obtained from said Court an order allowing an appeal to the United States Circuit Court of Appeals for the Seventh Circuit, and filed a copy thereof in the Clerk's Office of the said Court to reverse the decree of the aforesaid suit, and a citation directed to the said Crown Die and Tool Company citing and admonishing it to be and appear at the United States Circuit Court of Appeals for the Seventh Circuit, to be holden at Chicago within thirty days from the date hereof.

Now, The Condition Of The Above Obligation Is Such, that if the said Nye Tool and Machine Works shall prosecute its said appeal to effect, and shall answer all damages and costs that may be awarded against it if it fail to make its plea good, then the above obligation to be void; otherwise to remain in full force and virtue.

NYE TOOL & MACHINE WORKS

By N. P. NYE

Vice Pres. (Seal)

FIDELITY AND DEPOSIT COMPANY OF MARYLAND

By WALTER FARODAY

Agent and Attorney in Fact (Seal)

Sealed and delivered in presence of—

Approved by—

16th Feb. 1921.

Approved by

CARPENTER

Judge

FLORENCE KING

Attorney for Crown Die & Tool Co.

(Endorsed) Equity No. 1514 United States District Court
Northern District of Illinois Eastern Division Nye Tool
and Machine Works vs. Crown Die and Tool Company Bond
on Appeal Filed Feb 16, 1921 at o'clock M John
H. R. Jamar Clerk

UNITED STATES DISTRICT COURT

Northern District of Illinois

Eastern Division.

Nye Tool and Machine Works,
vs.
 Crown Die and Tool Company. } In Equity No. 1514

PRAECIPE

To Hon. John H. R. Jamar, Clerk of Said Court:

You will please prepare a transcript of the record in this cause to be filed at the office of the clerk of the United States Circuit Court of Appeals for the Seventh Judicial Circuit under the appeal heretofore perfected to said Court, and you will include in said transcript the following:

1. A copy of the Bill of Complaint, including a copy of Exhibit "A" attached thereto together with the acknowledgment by P. D. Wright, as President of the Reed Manufacturing Company.

2. A copy of defendant, Crown Die and Tool Company's Motion to dismiss the bill.

3. A copy of the decree entered by His Honor Judge Carpenter in this cause on the 3d day of February A. D., 1921.

4. A copy of the Petition for Appeal.

5. A copy of the Assignment of Errors.

6. A copy of the Cost Bond on Appeal.

7. A copy of the Order allowing the Appeal.

8. A copy of the Citation to defendant.

9. A copy of this Praeipce;

said transcript to be prepared as required by law and the rules of this Court, and the Rules of the United States Circuit Court of Appeals for the Seventh Judicial Circuit.

DYRENFORTH LEE CHRITTON & WILES

Plaintiff's Solicitors

Service of a copy of the above Praeipce is acknowledged this _____ day of February A. D., 1921.

FLORENCE KING
Defendant's Solicitor.

(Endorsed) Filed Feb. 11, 1921 John H. R. Jamar, Clerk.

23 Northern District of Illinois }
Eastern Division } ss.

I, John H. R. Jamar, Clerk of the District Court of the United States for the Northern District of Illinois, do hereby certify the above and foregoing to be a true and complete transcript of the proceedings had of record made in accordance with Praeipie filed in this Court in the cause entitled Nye Tool and Machine Works vs. Crown Die and Tool Company, as the same appear from the original records and files thereof, now remaining in my custody and control.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at my office, in the City of Chicago, in said District, this 1st day of March A. D. 1921.

JOHN H. R. JAMAR,
Clerk.

(Seal)

20 And on to-wit: the 11th day of February, 1921, there was filed in the office of the Clerk of said court a certain Citation in words and figures following to-wit:

21 United States }
of America, } ss.

The President of the United States, To Crown Die and Tool Company, Greeting:

You are hereby notified that in a certain case in equity, and being equity No. 1514, in the United States District Court, in and for the Northern District of Illinois, Eastern Division, wherein Nye Tool and Machine Works is complainant and the Crown Die and Tool Company is defendant, an appeal has been allowed the plaintiff therein to the Circuit Court of Appeals for the Seventh Judicial Circuit.

You are hereby cited and admonished to be and appear at a United States Circuit Court of Appeals, for the Seventh Circuit, to be holden at Chicago, within thirty days from the date hereof, pursuant to an order granting an appeal filed in the Clerk's Office of the District Court of the United States for the Northern District of Illinois, Eastern Division, wherein Nye Tool and Machine Works as aforesaid is complainant and you are defendant to show cause, if any there be, why the decree rendered against the said Nye Tool and Ma-

Citation.

chine Works as in the said writ of error mentioned, should not be corrected and why speedy justice should not be done to the parties in that behalf.

Witness the Honorable George A. Carpenter Judge of the District Court of the United States, this 11th day of February, in the year of our Lord one thousand nine hundred and twenty-one.

GEORGE A. CARPENTER

Judge of the District Court of the United States, in and for the Northern District of Illinois, Eastern Division.

Service of citation accepted this 11th day of February 1921.

FLORENCE KING

Solr. for Defendant.

(Endorsed) No. 1514 District Court of the United States Northern District of Illinois Eastern Division Nye Tool and Machine Works vs. Crown Die and Tool Co. Citation Filed Feby 11, 1921, at o'clockM John H. R. Jamar Clerk Dyrenforth, Lee, Chritton & Wiles.

UNITED STATES CIRCUIT COURT OF APPEALS

FOR THE SEVENTH CIRCUIT.

I, Edward M. Holloway, Clerk of the United States Circuit Court of Appeals for the Seventh Circuit, do hereby certify that the foregoing printed pages, numbered from 1 to 14, inclusive, contain a true copy of the printed record, printed under my supervision and filed on the fourth day of March, 1921, on which this cause was heard and determined in the case of

NYE TOOL AND MACHINE WORKS

vs.

CROWN DIE & TOOL COMPANY

No. 2942, October Term, 1921, as the same remains upon the files and records of the United States Circuit Court of Appeals, for the Seventh Circuit.

In testimony whereof I hereunto subscribe my name and affix the seal of said United States Circuit Court of Appeals for the Seventh Circuit, at the City of Chicago, this first day of December, A. D. 1921.

[SEAL.]

EDWARD M. HOLLOWAY,
Clerk of the United States Circuit Court of
Appeals for the Seventh Circuit.

At a regular term of the United States Circuit Court of Appeals for the Seventh Circuit, begun and held in the United States Court room, in the city of Chicago, in said Seventh Circuit on the fifth day of October, 1920, of the October term in the year of our Lord one thousand nine hundred and twenty and of our Independence the one hundred and forty-fifth.

And afterwards, to-wit: On the third day of March, 1921, in the October term aforesaid, came the appellant, by its counsel, Mr. W. H. Dyrenforth, Mr. Russell Wiles and Mr. George A. Chritton, and filed in the office of the clerk of this court their appearance, which said appearance is in the words and figures following, to-wit:

UNITED STATES CIRCUIT COURT OF APPEALS

FOR THE SEVENTH CIRCUIT.

No. 2942.

October Term, 1920.

Nye Tool and Machine Works,
Appellant,

vs.

Crown Die and Tool Company,
Appellee.

The Clerk will enter our appearance as counsel for the Appellant.

W. H. DYRENFORTH,
RUSSELL WILES,
GEORGE A. CHRITTON.

DYRENFORTH, LEE, CHRITTON & WILES,
Solicitors for Appellant.

Endorsed: Filed Mar. 3, 1921. EDWARD M. HOLLOWAY,
Clerk.

And afterwards, to-wit: On the fourth day of March, 1921, in the October term aforesaid, there was filed in the office of the clerk of this court a certain Request to Clerk to place cause on Calendar, which said Request is in the words and figures following, to-wit:

IN THE
UNITED STATES CIRCUIT COURT OF APPEALS

Nye Tool & Machine Works, <i>Appellant,</i> <i>vs.</i> Crown Die & Tool Company, <i>Appellee.</i>	}	No. 2942.
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To Hon. E. M. HOLLOWAY,
Clerk of said Court:

You are hereby respectfully requested to place the above entitled cause upon the printed calendar of cases to be called at the April Session of this court.

The printed record and the briefs of appellant have already been filed; the brief of appellee will be printed and filed on or before the time when the court will call the printed calendar on the second Tuesday in April, for the purpose of setting the cases for argument, and the appellant's reply brief, if any, will be duly filed on or before the date of argument.

CHICAGO, March 4, 1921.

GEORGE A. CHRITTON,
Counsel for Appellant.
FLORENCE KING,
Counsel for Appellee.

Endorsed: Filed Mar. 4, 1921. EDWARD M. HOLLOWAY,
Clerk.

And afterwards, to-wit: On the seventh day of March, 1921, in the October term aforesaid, came the appellee, by its counsel, Miss Florence King, and filed in the office of the clerk of this court her appearance, which said appearance is in the words and figures following, to-wit:

UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SEVENTH CIRCUIT.

No. 2942. October Term, 1920.
Nye Tool and Machine Works,
Appellant,
vs.
Crown Die and Tool Company,
Appellee.

The clerk will enter my appearance as counsel for the Appellee.

FLORENCE KING.

Endorsed: Filed Mar. 7, 1921. EDWARD M. HOLLOWAY,
Clerk.

And afterwards, to-wit: On the twenty-sixth day of April, 1921, in the October term aforesaid, the following further proceedings were had and entered of record, to-wit:

Tuesday, April 26, 1921.

Court met pursuant to adjournment and was opened by proclamation of crier.

Present:

Hon. Francis E. Baker, Circuit Judge, presiding.
Hon. Samuel Alschuler, Circuit Judge.
Hon. Evan A. Evans, Circuit Judge.
Hon. George T. Page, Circuit Judge.
Edward M. Holloway, Clerk.
John J. Bradley, Marshal.

Before:

Hon. Francis E. Baker, Circuit Judge.
Hon. Evan A. Evans, Circuit Judge.
Hon. George T. Page, Circuit Judge.

Nye Tool and Machine Works }
2942 vs. }
Crown Die & Tool Company. }

Appeal from the District Court
of the United States for the
Northern District of Illinois,
Eastern Division.

It is ordered by the court that this cause be, and the same is hereby set down for hearing on April 28, 1921.

And afterwards, to-wit: On the twenty-eighth day of April, 1921, in the October term aforesaid, the following further proceedings were had and entered of record, to-wit:

Thursday, April 28, 1921.

Court met pursuant to adjournment and was opened by proclamation of crier.

Present:

Hon. Francis E. Baker, Circuit Judge, presiding.
Hon. Samuel Alschuler, Circuit Judge.
Hon. Evan A. Evans, Circuit Judge.
Hon. George T. Page, Circuit Judge.
Edward M. Holloway, Clerk.
John J. Bradley, Marshal.

Before:

Hon. Francis E. Baker, Circuit Judge.
Hon. Evan A. Evans, Circuit Judge.
Hon. George T. Page, Circuit Judge.

Nye Tool and Machine Works	}	Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division.
2942 vs.		
Crown Die & Tool Company.		

Now this day come the parties by their counsel and this cause now comes on to be heard on the printed record and briefs of counsel and on oral arguments by Mr. Russell Wiles, counsel for appellant, and by Miss Florence King, counsel for appellee, and the court having heard the same takes this matter under advisement.

And afterwards, to-wit: On the twenty-fourth day of June, 1921, in the October term aforesaid, there was filed in the office of the clerk of this court the Opinion of the court, which said Opinion is in the words and figures following, to-wit:

poration of Pennsylvania, is the owner of Letters Patent of the United States, No. 1,033,142, for a Machine for Forming Screw-Thread Cutting Devices, granted July 23, 1912, on an application of Wright and Howard; and

Whereas, under said patent said Reed Manufacturing Company has the right to exclude others from manufacturing, using and selling the devices of said patent; and

Whereas, it is believed by the parties that Crown Die & Tool Company, a corporation of Illinois, has been manufacturing and using devices in infringement of said patent; and

Whereas, Nye Tool & Machine Works is engaged in the manufacture of dies with which the dies made by said Crown Die & Tool Company, by the use of said infringing machine, are in competition; and

Whereas, Nye Tool & Machine Works is desirous of acquiring from Reed Manufacturing Company all of its rights of exclusion under said patent, so far as the same may be exercised against the Crown Die & Tool Company, together with all rights of the Reed Manufacturing Company against the Crown Die & Tool Company arising out of the infringement aforesaid;

Now, Therefore, in consideration of one thousand dollars (\$1,000.00), and other good and valuable considerations, the receipt of which is hereby acknowledged, the Reed Manufacturing Company hereby assigns and sets over to the Nye Tool & Machine Works all claims recoverable in law or in equity, whether for damages, profits, savings, or any other kind or description, which the Reed Manufacturing Company has against the Crown Die & Tool Company arising out of the infringement by the Crown Die & Tool Company of the Wright & Hubbard patent No. 1,033,142; and, for the same consideration, assigns and sets over all the rights which it now has arising from said patent of excluding the Crown Die & Tool Company from the practice of the invention of said patent, the intention being that, in so far as concerns the exclusion of the Crown Die & Tool Company under said patent, the Nye Tool & Machine Works shall be vested with as full rights in the premises as the Reed

Manufacturing Company would have had had this assignment not been made; and that the Nye Tool & Machine Works shall have the full right to bring suit on said patent, either at law or in equity against said Crown Die & Tool Company, and for its own benefit, to exclude the Crown Die & Tool Company from practicing the invention of said patent, and for its own use and benefit to collect damages which may arise by reason of the future infringement of said patent by the Crown Die & Tool Company, but nothing herein contained shall in any way affect or alter the rights of the Reed Manufacturing Company against other than the Crown Die & Tool Company; and, for the same consideration, all rights as are herein given against the Crown Die & Tool Company are given as against any successor or assignee of the business thereof."

Appellee's motion to dismiss the bill for want of equity apparent on its face, in addition to challenging appellant's title and right to sue, suggests laches, conspiracy, and pendency of a prior suit, and also denies jurisdiction in equity over damages "recoverable at law."

BAKER, *Circuit Judge*, after making the foregoing statement, delivered the opinion of the court:

Nothing of laches, conspiracy or pendency of a prior suit is stated in the bill. If such matters exist, they must be brought into the record by appellee's answer. In the statement of the case we have synopsisized the bill in order to show that a good cause of action in equity is pleaded unless there is a lack in appellant's right to sue or in the trial court's equitable jurisdiction.

An inventor is not compelled by law to apply for and take out a patent. If he has produced a new composition of matter of such a nature that the ingredients and the process are safe from discovery by others either by observing his use of his invention or by independent investigation and experiment, he would have a much more enduring monopoly by refusing to make the "full disclosure" that our patent statute invites. Such is his natural or common law right. It is only when he fears discovery and resultant injury from the exercise by

others of their natural or common law right to copy his unpatented invention that he seeks the patent solicitor. So it is clear to a demonstration that the natural or common law right and the statutory right are separate and independent. Neither impinges upon the other. Whether an inventor exercises or refuses to exercise his natural or common law right has nothing to do with his assertion of his statutory right, which consists exclusively of his power, through the courts, to restrain others from practicing his invention and to call them to account for having done so in defiance of his monopoly. This view of our patent system is not a present invention, for long ago it was fully disclosed and distinctly claimed in open letters to the public. *Bloomer v. McQuewan*, 14 How. 539; *Patterson v. Kentucky*, 97 U. S. 501; *Fuller v. Berger*, 120 Fed. 274; *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, 210 U. S. 405.

Appellee's argument that a monopoly of this character is contrary to public policy is somewhat belated in view of the Constitution and acts of Congress.

Congress, having full constitutional power over the subject, could have provided that a patent should be non-assignable, or, if assignable, that it should be assigned only as an entirety. But Sec. 4898 R. S. says that "any patent, or any interest therein, shall be assignable in law by an instrument in writing." It would be hard to find broader or clearer words than "any interest therein" with which to clothe the owner of a patent with the right to subdivide and deed or lease his property as he pleased.

As "the right to exclude" is the only property involved, and as that property is made divisible and assignable at the will of the owner, and as the owner had duly assigned to appellant the whole of the right to exclude appellee, it is difficult to understand why appellee should feel concerned about appellant's lack of right to exclude strangers to this suit. If appellant had the right to exclude all the strangers in the world, appellee might as well contend that appellant, having good and complete title to the patentee's right to exclude appellee, should not be permitted to enforce the right because appellant was ignoring all other trespassers and was picking out appellee alone.

Jurisdiction in equity to enjoin trespasses upon property is unquestionable. When that equitable jurisdic-

tion is invoked, the chancellor will hear and determine in the same suit the matter of damages that accrued from the trespasses during the plaintiff's ownership of the property and within the period of limitations. If such damages alone were sought, the action would be at law; but because such damages grew out of the ownership that is to be vindicated by the injunction, the demand therefor, although legal in its nature, is treated as a proper appendage of the bill in equity. Appellant's bill alleges that it acquired ownership of the right to exclude appellee "prior to the beginning of this suit," but without stating the date either in the body of the bill or in the exhibit. Appellee's alleged infringement covered six years prior to the filing of the bill. Some of that period may antedate appellant's ownership. Reed Mfg. Co. included in its assignment of an interest in the patent to appellant an assignment of its claims for damages during its exclusive ownership. Damages that are incidental to appellant's ownership are properly included in the bill. But if appellant desires to recover on the assignment of Reed Mfg. Co.'s right of action at law for the damages suffered by that company, it should proceed at law upon that separate legal cause of action.

The decree is reversed for further proceedings in consonance with this opinion.

A true Copy.

Teste:

*Clerk of the United States Circuit Court
of Appeals for the Seventh Circuit.*

And afterwards, on the same day, to-wit: On the twenty-fourth day of June, 1921, in the October term aforesaid, the following further proceedings were had and entered of record, to-wit:

Friday, June 24, 1921.

Court met pursuant to adjournment.

Present:

Hon. Francis E. Baker, Circuit Judge, presiding.

Hon. Samuel Alschuler, Circuit Judge.

Hon. George T. Page, Circuit Judge.

Edward M. Holloway, Clerk.

Before:

Hon. Francis E. Baker, Circuit Judge.

Hon. Evan A. Evans, Circuit Judge.

Hon. George T. Page, Circuit Judge.

Nye Tool and Machine Works 2942 <i>vs.</i> Crown Die & Tool Company.	}	Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division.
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This cause came on to be heard on the transcript of the record from the District Court of the United States for the Northern District of Illinois, Eastern Division, and was argued by counsel.

On consideration whereof, It is now here ordered, adjudged and decreed by this court that the decree of the said District Court in this cause be, and the same is hereby reversed with costs; and that this cause be, and the same is hereby remanded to the said District Court for further proceedings in consonance with the opinion of this court.

And afterwards, to-wit: On the first day of October, 1921, in the October term aforesaid, there was filed in the office of the clerk of this court a certain Petition for Rehearing, which said Petition for Rehearing is not copied here nor made a part of this record.

At a regular term of the United States Circuit Court of Appeals for the Seventh Circuit, begun and held in the United States Court room, in the city of Chicago, in said Seventh Circuit on the fourth day of October, 1921, of the October term in the year of our Lord one thousand nine hundred and twenty-one and of our Independence the one hundred and forty-sixth.

And afterwards, to-wit: On the twenty-seventh day of October, 1921, in the October term last aforesaid, the following further proceedings were had and entered of record, to-wit:

Thursday, October 27, 1921.

Court met pursuant to adjournment and was opened by proclamation of crier.

Present:

Hon. Francis E. Baker, Circuit Judge, presiding.
Hon. Samuel Alschuler, Circuit Judge.
Hon. Evan A. Evans, Circuit Judge.
Edward M. Holloway, Clerk.
John J. Bradley, Marshal.

Before:

Hon. Francis E. Baker, Circuit Judge.
Hon. Evan A. Evans, Circuit Judge.
Hon. George T. Page, Circuit Judge.

Nye Tool and Machine Works	}	Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division.
2942 vs.		
Crown Die & Tool Company.		

It is ordered by the court that the petition for a rehearing in this cause be, and the same is hereby overruled.

And afterwards, to-wit: On the third day of November, 1921, in the October term last aforesaid, the following further proceedings were had and entered of record, to-wit:

Thursday, November 3, 1921.

Court met pursuant to adjournment and was opened by proclamation of crier.

Present:

Hon. Francis E. Baker, Circuit Judge, presiding.
Hon. Samuel Alschuler, Circuit Judge.
Hon. Evan A. Evans, Circuit Judge.
Hon. George T. Page, Circuit Judge.
Edward M. Holloway, Clerk.
John J. Bradley, Marshal.

Before:

Hon. Francis E. Baker, Circuit Judge.

Hon. Samuel Alschuler, Circuit Judge.

Hon. Evan A. Evans, Circuit Judge.

Nye Tool and Machine Works 2942	<i>vs.</i>	} Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division.
Crown Die & Tool Company.		

On motion of Miss Florence King, counsel for appellee, it is now here ordered that the mandate in this cause be, and is hereby recalled and stayed until the further order of this court.

UNITED STATES CIRCUIT COURT OF APPEALS

FOR THE SEVENTH CIRCUIT.

I, EDWARD M. HOLLOWAY, Clerk of the United States Circuit Court of Appeals for the Seventh Circuit, do hereby certify that the foregoing typewritten and printed pages, numbered from 1 to 12, inclusive, contain a true copy of the proceedings had and papers filed (except the briefs of counsel and the Petition for a Rehearing) in the case of

NYE TOOL AND MACHINE WORKS

vs.

CROWN DIE & TOOL COMPANY

No. 2942, October Term, 1921, as the same remains upon the files and records of the United States Circuit Court of Appeals, for the Seventh Circuit.

In testimony whereof I hereunto subscribe my name and affix the seal of said United States Circuit Court of Appeals for the Seventh Circuit, at the City of Chicago, this first day of December, A. D. 1921.

[SEAL.]

EDWARD M. HOLLOWAY,
Clerk of the United States Circuit Court
of Appeals for the Seventh Circuit.



UNITED STATES OF AMERICA, ss:

[Seal of the Supreme Court of the United States.]

The President of the United States of America to the Honorable the Judges of the United States Circuit Court of Appeals for the Seventh Circuit, Greeting:

Being informed that there is now pending before you a suit in which Nye Tool and Machine Works is appellant, and Crown Die & Tool Company is appellee, No. 2942, which suit was removed into the said Circuit Court of Appeals by virtue of an appeal from the District Court of the United States for the Northern District of Illinois, and we, being willing for certain reasons that the said cause and the record and proceedings therein should be certified by the said Circuit Court of Appeals and removed into the Supreme Court of the United States, do hereby command you that you send without delay to the said Supreme Court, as aforesaid, the record and proceedings in said cause, so that the said Supreme Court may act thereon as of right and according to law ought to be done.

Witness the Honorable William H. Taft, Chief Justice of the United States, the twenty-first day of January, in the year of our Lord one thousand nine hundred and twenty-two.

WM. R. STANSBURY,

Clerk of the Supreme Court of the United States.

In the Supreme Court of the United States, October Term, A. D. 1921.

#676.

CROWN DIE AND TOOL CO., Petitioner,

vs.

NYE TOOL AND MACHINE WORKS, Respondent.

Stipulation.

It is hereby stipulated by and between counsel for the parties to the above entitled cause that the certified copy of the transcript of record heretofore filed in the Supreme Court of the United States with the petition for Writ of Certiorari shall constitute the return of the clerk of the United States Circuit Court of Appeals for the Seventh Circuit to the writ of certiorari granted therein.

FLORENCE KING,

Counsel for Petitioner.

GEORGE A. CHRITTON,

Counsel for Respondent.

Chicago, Ill., Jan. 25, 1922.

Endorsed: Filed Jan. 26, 1922. Edward M. Holloway, Clerk.

UNITED STATES OF AMERICA,
Seventh Circuit, ss:

In obedience to the command of the foregoing writ of certiorari and in pursuance of the stipulation of the parties, a full copy of which appears above, I do hereby certify and return that the transcript of the record filed with the application to the Supreme Court of the United States for a writ of certiorari in the case of Nye Tool & Machine Works, appellant, vs. Crown Dye & Tool Company, appellee, is a full, true and complete transcript of the record upon which said cause was heard in the United States Circuit Court of Appeals for the Seventh Circuit, together with all proceedings in said court.

In testimony whereof, I hereunto subscribe my name and affix the seal of said United States Circuit Court of Appeals for the Seventh Circuit, at the city of Chicago, this thirtieth day of January, A. D. 1922.

[Seal of the United States Circuit Court of Appeals,
Seventh Circuit.]

EDWARD M. HOLLOWAY,
*Clerk of the United States Circuit Court of
Appeals for the Seventh Circuit.*

[Endorsed:] File No. 28,631. Supreme Court of the United States, October Term, 1921. No. 676. Crown Die & Tool Company vs. Nye Tool and Machine Works. Writ of Certiorari. Filed Jan. 26, 1922. Edward M. Holloway, Clerk.

[Endorsed:] File No. 28,631. Supreme Court U. S., October Term, 1921. Term No. 676. Crown Dye & Tool Co., Petitioner, vs. Nye Tool & Machine Works. Writ of Certiorari and return. Filed Feb. 1, 1922.